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Signed and Filed: April 05, 2011

THOMAS E. CARLSON
U.S. Bankruptcy Judge

Attorneys for Official Committee of
Equity Security Holders

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

In re

CMR MORTGAGE FUND, LLC,
CMR MORTGAGE FUND II, LLC,
CMR MORTGAGE FUND III, LLC,

Debtors.

Case Nos. 08-32220 TEC
09-30788 TEC
09-30802 TEC

Chapter 11

**ORDER DIRECTING APPOINTMENT
OF CHAPTER 11 TRUSTEE**

- ☐ Affects **FUND I**
☐ Affects **FUND II**
☐ Affects **FUND III**
☒ Affects **ALL FUNDS**

Date: April 4, 2011
Time: 2:00 p.m.

Judge: Hon. Thomas E. Carlson

On April 4, 2011, the Court held a continued hearing on the Motion To Modify Chapter 11 Plan with respect to the Equity Committee And Debtors Joint Plan Of Reorganization Dated June 24, 2011 ("Plan") for the Chapter 11 cases ("the Cases") of CMR Mortgage Fund, LLC ("Fund I"), CMR Mortgage Fund II, LLC ("Fund II"), and CMR Mortgage Fund III, LLC ("Fund III") (Fund I, Fund II, and Fund III collectively the "Funds"). Michael Sweet and Dale Bratton, McNutt Law Group, and Monika Lee, Lee Law Offices, appeared on behalf of the Official Committee of Equity Security Holders. Elizabeth Berke-Dreyfuss, Wendel, Rosen, Black & Dean, appeared on behalf of Fund I. Robert Harris, Binder & Malter, appeared on behalf of Fund

1 II. Reno Fernandez, Macdonald & Associates, appeared on behalf of Fund III. Julie Glosson,
2 Office of the U.S. Trustee, appeared on behalf of the U.S. Trustee. Robert Feinbaum appeared in
3 pro per. Matthew Urdan, Horner & Singer, appeared on behalf of Kumiko Stevens et al. Upon
4 due consideration, and for the reasons stated on the record at the hearing,

5 The Court finds that:

6 A. Confirmation of the Plan was conditioned on the proponents obtaining sufficient
7 exit financing for implementation of the Plan (“Financing Condition”) by a date certain set by this
8 Court’s order entered on March 11, 2011.

9 B. The Plan proponents have not timely satisfied the Financing Condition.

10 C. The Court has ordered the substantive consolidation of these cases.

11 D. Under all the circumstances of these Cases, the appointment of a Chapter 11 trustee
12 for the consolidated Cases is in the best interests of creditors and equity security holders in these
13 Cases.

14 Accordingly, and good cause appearing therefor,

15 IT IS HEREBY ORDERED that:

16 1. A trustee shall be appointed for the consolidated Cases pursuant to
17 Section 1104(a)(2) of the Bankruptcy Code.

18 2. Pursuant to Section 1104(d) of the Bankruptcy Code, the U.S. Trustee shall consult
19 with parties in interest, appoint a suitable person to serve as trustee, and submit such appointment
20 for the approval of the Court.

21
22 The Certificate of Service for the Proposed Order is Docket No. 786 (Case No. 08-32220),
23 Docket No. 657 (Case No. 09-30788), and Docket No. 615 (Case No. 09-30802).

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25 * * * END OF ORDER * * *
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COURT SERVICE LIST

All are registered ECF participants except:

Robert Feinbaum
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